

**Docket No.:** 09-0151  
**Meeting Date:** 09-11-12  
**Deadline:** 09-18-12

## **M E M O R A N D U M**

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**TO:** The Commission

**FROM:** Larry Jones, Administrative Law Judge

**DATE:** September 4, 2012

**SUBJECT:** Illinois-American Water Company ("IAWC")  
Approval of its annual reconciliation of Purchased Water and Purchased Sewage Treatment Surcharges Pursuant to 83 Ill. Adm. Code 655.

**RECOMMENDATION:** Deny the Verified Application for Rehearing of the People of the State of Illinois ("AG") filed August 29, 2012.  
Deny the alternative request contained in the Verified Application for Rehearing of the AG filed August 29, 2012.

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IAWC assesses purchased water and sewage treatment surcharges pursuant to Section 9-220.2 of the Public Utilities Act, 83 Illinois Administrative Code 655 and IAWC's surcharge riders.

On July 31, 2012, the Commission entered an Order approving the reconciliation for the 2008 reconciliation period, subject to adjustments.

On August, 29, 2012, the AG filed an application for rehearing. The AG urges the Commission to change its findings on the issues of unbilled water, excess sewerage flow charges, and low-use unit sewer rates.

The AG argues that the record support different conclusions on these issues. The AG does not seek an opportunity to present more evidence on them.

The AG "request[s] that the Commission order rehearing...and correct the defects identified herein, or in the alternative, only allow recovery of the rates authorized in this docket subject to refund should the Order be reversed on appeal."

It is my recommendation that the application for rehearing be denied; and that the alternative request for relief also be denied. The 20-day deadline for Commission action on the rehearing application is September 18, 2012.

LMJ/js